

ILLINOIS COMMERCE COMMISSION

DOCKET No. 12-0598

REVISED REBUTTAL TESTIMONY

OF

RICK D. TRELZ

Submitted On Behalf

Of

AMEREN TRANSMISSION COMPANY OF ILLINOIS

May 6, 2013

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Ameren Transmission Company of Illinois

I. INTRODUCTION AND WITNESS QUALIFICATIONS

Q. Please state your name, business address and present position.

A. My name is Rick D. Trelz. My business address is 420 N. 2400 East Road, Pana, IL, 62557. I am a Real Estate Supervisor for Ameren Services Company (“AMS”) as agent for Ameren Transmission Company of Illinois (“ATXI”). Both AMS and ATXI are subsidiaries of Ameren Corporation (“Ameren”).

Q. Are you the same Rick D. Trelz who sponsored direct testimony in this proceeding?

A. Yes, I am.

II. PURPOSE AND SCOPE

Q. What is the purpose of your testimony?

A. The purpose of my testimony is to respond to Staff witness, Mr. Greg Rockrohr’s concerns relating to possible future Section 8-509 proceedings. I also respond to the direct testimony of Adams County Property Owners and Tenant Farmers (“ACPO”); the City of Champaign and the Village of Savoy; Coles County Landowners (“CCL”); Coles and Moultrie County Land Interests (“CMCLI”); The Copeland Family; Leon Corzine; Gan Properties LLC (Gan); Michael E. Lockwood; Louise Brock-Jones Limited Partnership (“Louise Brock-Jones”);

Macon County Property Owners (“Macon”); the Morgan, Sangamon, and Scott Counties Land Preservation Group (“MSSCLPG”); Gregory and Theresa Pearce (“Pearce”); The Robinette Family; Deborah D. Rooney; Rural Clark and Edgar County Concerned Citizens (“RCECCC”); Laura Te Grotenhuis (of the Stop the Power Lines Coalition, or “STPL”); Tarble Limestone Enterprises (TLE); Korsmeyer Family Trust Farm (“Korsmeyer”); Reed Family and Trust (Reed); and Wiese Farms (collectively “Intervenors”) regarding various concerns they raise that the proposed Transmission Line would impact their properties. My failure to address certain testimony or positions should not be construed as an endorsement of same.

Q. Will ATXI provide revised legal descriptions to correspond with the revised routing recommendations submitted with its rebuttal testimony?

A. Yes. As discussed in more detail by ATXI witness, Ms. Donell (Doni) Murphy, ATXI has updated some of its routing recommendations in this case. ATXI has entered into six stipulations addressing certain routes and has also made routing modifications in response to information from Staff and Intervenors. In order to provide a clear record, ATXI will file with its Draft Proposed Order revised legal descriptions that will reflect these recommendations, as well as any additional stipulations ATXI may enter into prior to that time.

III. RESPONSE TO STAFF WITNESS, MR. ROCKROHR

Q. What is Mr. Rockrohr’s understanding of Sections 406.1(i) and 8-503 of the Public Utilities Act?

A. Mr. Rockrohr points out that Section 8-406.1(i) of the Public Utilities Act (the Act) “provides that any Commission decision granting a certificate under Section 8-406.1 of the Act shall include an order pursuant to Section 8-503 of the Act, authorizing or directing the construction of the Project in the manner and within the time specified in the order.” Similarly,

46 he states “Section 8-406.1(i) requires that if the Commission issues an order granting a certificate
47 under Section 8-406.1 of the Act, it must also include an order [authorizing and directing
48 construction of the Project] pursuant to Section 8-503 of the Act for the same facilities.” (Staff
49 Ex. 1.0R, p. 10, ll. 210-17.)

50 **Q. Do you agree?**

51 **A.** While I am not an attorney, I believe his understanding, as described above, is correct.

52 **Q. Does Mr. Rockrohr have a concern related to Section 8-509 of the Act?**

53 **A.** Yes. In addition to describing the interplay between Sections 8-406.1 and 8-503
54 (described above), Mr. Rockrohr notes that the same Public Act that created Section 8-406.1 of
55 the Act also modified Section 8-509, which deals with utility requests for eminent domain
56 authority. In doing so, Mr. Rockrohr states "in cases where a certificate of public convenience
57 and necessity (“CPCN”) pursuant to Section 8-406.1 is granted, Section 8-509 provides the
58 Illinois Commerce Commission (“Commission”) with only 45 days to consider that request.” As
59 such, Mr. Rockrohr believes that due to the “expedited timeframe (45 days) for any future
60 Section 8-509 proceeding that relates to ATXI’s facilities in this docket, the Commission would
61 have little opportunity to gather and consider additional information in a Section 8-509
62 proceeding.” (Staff Ex. 1.0R, pp. 10-11, ll. 218-46.)

63 **Q. What is your response?**

64 **A.** Although I recognize that any future eminent domain proceeding will be expedited, I
65 disagree that this is a cause for concern. As noted by Mr. Rockrohr, ATXI has not requested
66 eminent domain authority pursuant to Section 8-509 in this proceeding and does not plan to

begin negotiations with landowners before a final route has been approved. As a result, his concerns are premature.

As I stated in my direct testimony (ATXI Exhibit 5.0, p. 9), ATXI will make reasonable attempts to acquire any necessary land rights through good faith negotiations, and will seek eminent domain authority if, and only if, it determines that the necessary land rights cannot be reasonably obtained through the negotiation process. ATXI recognizes that if it seeks eminent domain authority, it will need to demonstrate that it has made reasonable attempts to acquire the property that is the subject of the eminent domain proceeding. Given this requirement, ATXI would anticipate the scope of any eminent domain proceeding to be fairly narrow and the evidence in support of each party's respective position to have been developed prior to filing. In any Section 8-509 proceeding, ATXI would intend to submit the necessary information to the Commission with its initial filing, to allow for appropriate review.

IV. RESPONSE TO ISSUES RAISED BY INTERVENERS GENERALLY

Q. Please describe generally how you will respond to the testimony and statements of position filed by the Interveners in this case.

A. Many of the Interveners raise similar issues. Therefore, where an issue is presented that is common to a number of Interveners, I will address that issue generally. Where an Intervener has raised individual concerns not already addressed within one of the general categories discussed below, I will address those issues on an Intervener-specific basis.

Q. Please summarize the general concerns to which you will respond.

A. In general, the Interveners are concerned that the presence of the Transmission Line on their properties will (1) interfere with farming operations; (2) interfere with private businesses;

89 (3) interfere with recreational opportunities; (4) damage farmland (due to compaction) and crops;
90 and (5) negatively impact property values.

91 **Q. Do you have any initial thoughts in response to these general concerns?**

92 **A.** Yes. For the most part, ATXI simply does not have enough information at this time to
93 respond with specificity to many of the concerns about the specific Intervener properties. For
94 instance, I can only respond generally with regard to matters of compensation for property rights
95 because ATXI will not know what property rights it will require - or where - until a route has
96 been approved and the final line design process is completed. Furthermore, as I say repeatedly
97 below, many of the Interveners' concerns will need to be evaluated and addressed on a case-by-
98 case basis during the negotiation process.

99 **A. Interference with Farming Operations¹**

100 **Q. Please describe Interveners concerns that the Transmission Line will interfere with**
101 **farming operations.**

102 **A.** Certain Interveners express concerns that the Transmission Line may interfere with aerial
103 application, ground spraying and center pivot irrigation systems, impact drainage systems and
104 GPS equipment, and make it difficult to maneuver around the poles. I address these issues in my
105 testimony below. Interveners also express concern regarding weed infiltration around poles, the
106 general health and safety of livestock and humans, the possibility of stray voltage, and the
107 electric and magnetic fields created by the Transmission Line. ATXI witnesses Mr. Jeffrey V.

¹ Interveners who raised concerns regarding interference with farming operations in testimony include STPL; ACPO; CCL; CMCLI; the Copeland Family; Leon Corzine; Gan; Louis Brock-Jones; MSSLP; Deborah Rooney; RCECCC; Korsmeyer; and Wiese Farms.

Hackman, Mr. Jerry A. Murbarger, and Dr. Lisa S. Erdreich respond to certain of these and other concerns in their respective rebuttal testimonies (ATXI Exs. 12.0; 16.0; 17.0).

Q. Please address the Interveners' concerns regarding aerial application.

A. Interveners have raised concerns that the presence of the Transmission Line on their properties will either limit or eliminate their abilities to utilize the aerial application of agricultural chemicals. ATXI is aware that the presence of overhead electrical lines and/or other types of above-ground structures pose the potential to impact aerial application; however, ATXI does not agree with the premise that the placement of a transmission line upon a farm field precludes the landowner from utilizing aerial application per se. ATXI recognizes the flight pattern used in the past by the aerial applicator may need to be modified to account for the location of a transmission line. For example, when applying chemicals near the power line, the applicator may have to fly parallel to the line when he or she may have otherwise flown perpendicular. The true impact, if any, the Transmission Line may have on the use of aerial application of chemicals is specific to each property and dependent upon the applicator's expertise and experience level. As stated previously in my direct testimony (ATXI Ex. 5.0, pp 8-9), ATXI's offers of compensation will be based on the market value of each property as determined by independent real estate appraisers. If the presence of the Transmission Line impacts the use of aerial application, and if this impact has an effect on the market value of the property, then this impact will be reflected in the easement compensation offer. As stated above, potential aerial application impacts are specific to each property and will be discussed individually with landowners during negotiations for the property rights being sought by ATXI.

129 **Q. Please address the Interveners' concerns regarding center pivot irrigation systems.**

130 **A.** Certain Interveners have raised concerns that the presence of the Transmission Line on
131 their properties may affect the use of existing or future pivot irrigation systems. ATXI is aware
132 that pivotal irrigation is used in certain areas crossed by ATXI's proposed routes. As explained
133 in Mr. Murbarger's rebuttal testimony, ATXI will seek to coordinate with landowners on pole
134 placement to either avoid or minimize any conflicts with existing pivotal irrigation systems. In
135 addition, if a landowner has demonstrable, specific plans for the installation of a pivotal
136 irrigation system in the near future, ATXI will take those plans into consideration during
137 negotiations. ATXI will adjust pole locations where feasible and appropriate to avoid or
138 minimize any conflicts with these near term irrigation plans.

139 If after engineering review, the conflict with an existing or planned irrigation system
140 cannot be avoided, then ATXI would engage the services of an expert in irrigation systems to
141 work with ATXI and the landowner to identify potential solutions to mitigate the conflict, such
142 as modifying the configuration of the existing system to avoid any conflict with the location of
143 the Transmission Line. Further, as stated previously in my testimony, ATXI's offers of
144 compensation will be based on the market value of each property as determined by independent
145 real estate appraisers. If the presence of the Transmission Line unavoidably impacts the use of
146 irrigation systems, and if this impact has an effect on the market value of the property, then this
147 market value based impact will be factored into the easement compensation offers. Potential
148 conflicts with the Transmission Line and irrigation systems are specific to each property and will
149 be discussed individually with landowners during the negotiations for the property rights being
150 sought by ATXI.

B. Interference with Private Businesses²

Q. Please describe Interveners' concerns that the Transmission Line will interfere with businesses located on their properties.

A. Certain Interveners are concerned the Transmission Line may preclude mining operations, interfere with or result in deactivation of private grass airstrips, or otherwise disrupt or impair private businesses operating on the affected property. As a result of these alleged impacts, Interveners claim they may lose revenues and/or suffer financial harm.

Q. Please address the Interveners' concerns regarding mining operations.

A. Many of the Intervener's concerns relate to the proximity of the mining to the Transmission Line and the alleged effect on Transmission Line operators. These concerns are addressed by Mr. Hackman. Any potential financial impact to a mining operation would need to be evaluated on a case-by-case basis. For example, Mr. Tarble contends (Tarble Limestone Enterprises Ex. 1.0, pp. 5-6) that the proposed Primary Route of the Project would result in a net revenue loss of approximately \$2 million from property owned outright by members of TLE. Mr. Tarble's assertions as to any potential revenue losses are speculative at best.

To begin, Mr. Tarble's claims are based on 2012 prices (ATXI-TLE 2.13), which may be subject to change, as well as other factors affecting his alleged loss. Moreover, the location of the Transmission Line is subject to final Commission approval and the detailed route design. As a result, less stone may be affected by the easement area than Mr. Tarble alleges. For example, applicable rules would prevent Mr. Tarble from mining within 107.5 feet of a property line even if the Transmission Line was not there (ATXI-TLE 2.16). If the final route approved by the

² Interveners who raised concerns regarding interference with private business include ACPO; CCL; RCECCC; Reed; and Tarble.

Commission in this proceeding impacts property that is being used for mining operations, then, if necessary, ATXI would retain the services of an expert who specializes in the valuation of minerals and mining operations to analyze and determine the extent of the impact, if any, that the presence of the Transmission Line may have on the market value of the mining operation. Any market value impact will be reflected in ATXI's compensation offer.

Q. Please address the Interveners' concerns regarding deactivation of airstrips.

A. Any potential impact to a private grass airstrip would need to be evaluated on a case-by-case basis. If the final route approved by the Commission in this proceeding would impact an existing airstrip, then a determination will be made as to whether the placement of the Transmission Line causes the airstrip to be out of compliance with the regulations of the FAA and/or Illinois DOT Aeronautics. If so, ATXI will discuss and assess alternatives with the airstrip owner. In sum, ATXI will seek to reach a reasonable agreement that fairly compensates the owner of the airstrip.

Q. Please address the Interveners' concerns regarding other private businesses operating on the affected property.

A. Certain Interveners claim an impact to private home-based business, such as day care (Katherine Thomure-ACPO), beauty shop (Steve and Robin Trapp-RCECC), and an equestrian center (Ben and Abbie Furlong – RCECCC). These claims, however, are admittedly premature, speculative and unsupported. Ms. Thomure admits she has no definitive plans to provide day care in her home at any point in the future (ATXI-ACPO 5.156). Mr. and Mrs. Furlong's future plans to build an equestrian center are equally nebulous and unsupported (ATXI-RCECCC 2.06, 2.17.). And Mr. and Mrs. Trapp claim they will close the beauty shop run out their home, but provide no explanation as to how the Transmission Line would have any impact at all on their

ability to continue providing these services (ATXI-RCECCC 2.02). As stated above, ATXI will fairly compensate landowners for the property rights ATXI seeks to acquire. ATXI's offers of compensation will be based on the market value of each specific property as determined by independent real estate appraisers. If the final route approved by the Commission in this proceeding impacts property that is being used for private business purposes, such as the ones identified above, then a determination would be made as to whether the placement of the Transmission Line requires the closure or relocation of said business. If so, ATXI would seek a reasonable agreement with the business owner that fairly compensates them.

C. Interference with Recreational Opportunities³

Q. Please describe Interveners' concerns that the Transmission Line will interfere with recreational opportunities.

A. Generally, the Interveners are concerned that the presence of the Transmission Line will interfere with recreation, tourism, hunting, or the general esthetics of the affected property.

Q. Please address the Interveners' concerns regarding hunting leases.

A. ATXI's easements do not restrict hunting. Landowners can still utilize the area within the easement for hunting or for hunting lease purposes. If a landowner leases the property upon which the easement crosses for hunting, and if during the period of time required for the construction or future maintenance of the Transmission Line it is determined that the construction activities interfere with a landowner's ability to lease the property for such purposes, then ATXI would reimburse the landowner for any documented hunting lease income losses during these construction periods. ATXI does not agree, however, with the premise that the

³ Interveners who raised concerns regarding interference with recreation include ACPO and MSSLPG.

construction of the Transmission Line will permanently preclude landowners from leasing their property for hunting purposes. If ATXI can substantiate a landowner's claim that the presence of the Transmission Line on the property will permanently preclude him or her from leasing the property for hunting purposes, then ATXI will negotiate, on a case by case basis, with the landowner to reach a reasonable agreement for compensation for future hunting income losses.

Q. Do you agree with Intervener concerns regarding potential interference with farming, private business and recreation, as generally discussed above?

A. No. ATXI will seek to acquire rights for a specific purpose only (the Transmission Line) and not the full fee right to the land to be encumbered by the easement. The landowner retains all other existing property rights other than the easement rights ATXI may require. Farming, recreation, tourism, access, and all other uses that do not conflict with the Transmission Line rights remain with the landowner. The land within the easement will remain available for hunting as well.

D. Farmland and Crop Damage⁴

Q. Please describe Interveners' concerns that the Transmission Line will damage farmland and crops.

A. Certain Interveners express concerns the Transmission Line would damage crops, drainage tile, soil conservation practices, or would cause soil compaction or erosion.

⁴ Interveners who raised concerns regarding farmland and crop damage include STPL; ACPO; CCL; Louise Brock-Jones; and Deborah Rooney.

Q. Has ATXI already taken the steps to address concerns about possible damage to drainage tile or other property?

A. Yes. ATXI and the Illinois Department of Agriculture have entered into an Agricultural Impact Mitigation Agreement (“AIMA”) that specifically addresses these concerns (during both initial construction and future maintenance on the line). The AIMA is ATXI Exhibit 5.2 to my direct testimony. The AIMA establishes the specific conditions, procedures and practices related to damage to drainage tile, crops and other items and the compensation for that damage. Under the AIMA, ATXI will also restore or pay for damage to drainage tile and will work with landowners to prevent or correct soil erosion and restore soil due to compaction as described in the AIMA. In particular, for drainage tile, the AIMA requires ATXI to request information from landowners as to whether the Transmission Line structures will interfere with any drainage tile on their property. If ATXI is advised of possible drainage tile interference with the structures, ATXI will conduct an engineering evaluation to determine if the structures can be relocated to avoid interference with the tile. The AIMA also allows ATXI to relocate the tiles upon agreement with the landowner. If repair is necessary, the AIMA identifies the guidelines ATXI must consider to aid in repairing any damaged tile.

As stated in my direct testimony (ATXI Ex. 5.0, pp. 9-10), upon completion of construction or maintenance, ATXI representatives will assess and repair or compensate landowners for damages to crops, soil (including compaction, erosion or soil conversation practices), drainage tile, fences and other property damages. ATXI will also assess and compensate landowners for diminished crop yields caused by soil compaction.

Q. Has ATXI already addressed concerns about possible soil compaction and/or soil erosion?

A. Yes, as stated in the response above and as covered by the terms of the AIMA. In particular, for soil compaction, the AIMA requires ATXI to chisel or pay to have chiseled all compacted and rutted soil that has been traversed by construction equipment to alleviate compaction impacts.

E. Property Valuation⁵

Q. Please describe Interveners' concerns that the Transmission Line will negatively impact property values.

A. Generally, certain Interveners are concerned that the presence of the Transmission Line will negatively impact their property's value. This general issues includes related concerns that the Transmission Line will damage private property (*i.e.* fences), negate or diminish the value of land improvements, preclude or otherwise negatively impact future development, and/or impair a landowner's ability to sell his/her property.

Q. Do you agree with the general property valuation concerns held by certain Interveners?

A. No. ATXI recognizes that any encumbrance may impact a property's market value; however, ATXI's intent is to fairly compensate affected landowners for the impact of the Transmission Line, so that after the line is constructed, there is no impact upon property resulting

⁵ Interveners who raised concerns regarding property value include ACPO; CCL; CMCLI; the Copeland Family; Leon Corzine; Gan; Michael Lockwood; Louis Brock-Jones; MSSLP; the Pearce Family; and the Robinette Family.

274 in diminution of value beyond that reflected in the compensation paid by ATXI. Payment is
275 made at the time of or shortly after the time of providing an executed easement to ATXI.

276 **Q. Please explain further.**

277 **A.** The compensation for the easement rights along the Transmission Line will be based on a
278 third-party independent appraiser's market value determinations. Appraisals will be based upon
279 a detailed investigation of the real estate market and will take into consideration relevant factors
280 that affect value in developing the appraiser's opinion of value for the proposed easements being
281 sought by ATXI, including each property's highest and best use. ATXI anticipates appraisals
282 will be completed for each property prior to notification and negotiations with the landowners.
283 ATXI will provide a copy of the appraisal to the landowner at that time, if available, or as soon
284 practicable after the appraisal becomes available. ATXI's offer of compensation for the
285 easement is intended to "make the landowners whole" by fully compensating them for any
286 impact on the market value of the property caused by the imposition of the easement and the
287 presence of the Transmission Line.

288 **Q. Please explain what you mean by "highest and best use" in determining**
289 **compensation offers.**

290 **A.** While I am not an appraiser, the "Dictionary of Real Estate Appraisal, Fifth Edition"
291 defines "highest and best use" as: "The reasonably probable and legal use of vacant land or an
292 improved property that is physically possible, appropriately supported, financially feasible, and
293 that results in the highest value. The four criteria the highest and best use must meet are legal
294 permissibility, physical possibility, financial feasibility, and maximum productivity.
295 Alternatively, the probable use of land or an improved property – specific with respect to the
296 user and timing of the use – that is adequately supported and results in the highest present value."

The properties crossed by the proposed Transmission Line routes are predominately being used for agricultural purposes; however, the appraisers will determine whether the present use of the property is, in fact, its highest and best use. The appraiser's conclusion may indicate that the highest and best use of a property is its current use, or it may indicate that the highest and best use is something different - which can only benefit the landowner. Examples of land uses that could be considered as the highest and best use are: agricultural, rural residential development, commercial, industrial (including mining operations), or property in a transitional state from one use to another. The valuations developed by the appraiser will take into account the property's highest and best use and, in turn, will be reflected in ATXI's compensation offers.

Q. Have the Interveners provided any study or analyses to support their claims of property devaluation?

A. No. The Interveners' contentions regarding valuation are not based on, or confirmed by, any actual appraisal, analysis or study they have performed regarding the specific impact of ATXI's proposed Transmission Line. (Responses to data requests ATXI-ACPO 5.04, 5.26, 5.27, 5.33, 5.34, 5.54, 5.106, 5.132, 5.134, 5.147, 5.154; ATXI-CMCLI 2.01-2.03; ATXI-Copeland 2.12; ATXI-RCECCC 2.09⁶; ATXI-Robinette 3.01-3.01; ATXI-Lockwood 1.13, 1.16.) For example, of the two documents the Pearce's provided as exhibits to their testimony, one is twenty years old and the other contains only summaries of past valuation studies that are not specifically related to their property, the Illinois Rivers Project or even Illinois. I would note the Pearce's testimony includes only an excerpt from an article written by James A. Chalmers, Ph.D.,

⁶ The only document RCECCC provides in discovery is a letter purportedly valuing the trees on one landowner's property. This document, however, does not provide calculations, describe the methodology used or show how the value of the trees was determined. Further, the appraisal does not reflect the commercial market value of the trees, but instead is based on replacement cost, species, condition, longevity and location.

317 titled "High-Voltage Transmission Lines and Rural, Western Real Estate Values."⁷ Read in its
318 entirety, the article actually provides support for the very point I have been making in my
319 testimony: property value effects cannot be presumed.

320 The documents ACPO, Louise Brock-Jones, the Robinette Family, and Mr. Lockwood
321 provided in response to data requests⁸ are also not specifically related to their properties, include
322 data from outside the United States, and the only information on Illinois is more than twenty
323 years old. In short, these parties have raised generalized concerns, but have provided no
324 meaningful specific basis for their claims.

325 **Q. Some Intervenors claim to have identified specific dollar impacts to their property.**

326 **What is your perspective?**

327 **A.** The Intervenors contentions regarding specific monetary reduction in property values are
328 not based on, or confirmed by, any actual appraisal, analysis or studies they have performed
329 regarding the specific impact the Transmission Line may have on their properties. In other
330 words, these Intervenors cannot support their claims and present unfounded and speculative
331 concerns. For example, Mr. Brent Mast (ACPO member) alleges in testimony that the
332 Transmission Line could devalue his property by \$400,000; however, admits in discovery he
333 "has not performed any studies or analyses on the impact of transmission lines on agricultural
334 values" and fails to provide any explanation for the basis of his allegation, including how this
335 amount was calculated (ATXI-ACPO 5.134).

⁷ James A. Chalmers, PhD, *High Voltage Transmission Lines and Rural, Western Real Estate Values*, The Appraisal Journal (Winter 2012), 30-44.

⁸ See responses to ATXI-ACPO 5.04, 5.27, 5.54, 5.132, 5.134, 5.147; ATXI-LBJ 2.09; ATXI-Lockwood Exhibit 2 to first set of data requests from ATXI.

Q. Other Interveners claim that the Transmission Line will cause losses from businesses or farming operations. How does ATXI intend to address any such losses?

A. Landowners will still own and can continue to use their properties for purposes not inconsistent with the easement rights. If the property is being farmed, it can still be used for crop production, except for the small area upon which the concrete foundations for the poles are located. As stated above, ATXI will fairly compensate landowners for the property rights being sought and will repair or pay for any damages caused during the initial construction or future maintenance of the Transmission Line. If a landowner has entered into any contracts for his/her crops or livestock, ATXI will need to evaluate those contracts on an individual basis.

Q. Still other Interveners say the Transmission Line will inhibit future development. What is your response?

A. These concerns are purely speculative. As mentioned earlier in my testimony, appraisals will consider the highest and best use of the land when determining the fair market value of each property where ATXI would require an easement for the Transmission Line. ATXI's compensation offers, in turn, will then reflect the appraiser's opinion of each property's market value based on its highest and best use. If the property's highest and best use is determined to be for future development, then ATXI's offers of compensation will reflect this.

V. RESPONSE TO STOP THE POWER LINES COALITION

A. Response to Ms. Laura Te Grotenhuis

Q. In her testimony, Ms. Te Grotenhuis claims to have invested approximately \$150,000 in tiling and terracing to prevent soil erosion on one of her parcels. She states (ll. 63-72) "taking 75 feet of the south end of that property for construction of a transmission

line will destroy” the erosion measures she has installed on that parcel. How does ATXI plan to address Ms. Te Grotenhuis' investment in soil conservation measures?

A. As with other landowners, ATXI will repair (or pay for the repair of) any soil conservation practices on Ms. Te Grotenhuis' property that are damaged by the construction of the Transmission Line in accordance with the Agricultural Impact Mitigation Agreement (ATXI Ex. 5.2). Furthermore, as stated previously in response to the Interveners' general concerns regarding damage to farmland and crops, ATXI is responsible for any damages caused from the construction or future maintenance of the Transmission Line. ATXI is committed to working with landowners and tenants to ensure that their property is fully restored to the same or a like condition as it existed immediately prior to the construction of the Transmission Line.

VI. RESPONSE TO CITY OF CHAMPAIGN/VILLAGE OF SAVOY

Q. Please clarify the width of the existing easements currently owned by Ameren Illinois along the Sidney to Rising Primary Route portion.

A. All of the existing easements currently owned by Ameren Illinois along the Primary Route of the Sidney – Rising portion of the Project are 132 feet wide.

Q. Mr. Knight states (Champaign/Savoy Ex. 1.0, p. 3) AIC’s Bondville – SW Campus transmission line will utilize existing 120-foot-wide easements and that an additional 30 feet would be required to accommodate ATXI’s Illinois Rivers transmission line. Are these widths accurate?

A. No. As stated in my response above, the existing easements currently owned by AIC are 132 feet wide. Thus, subject to approval of the proposed Primary Route in this proceeding,

379 ATXI will only need to acquire an additional 18 feet of right-of-way in order to construct the
380 proposed Transmission Line.

381 **Q. Mr. Dixon states (Champaign/Savoy Ex. 2.0, p. 4) he is “not sure what the final**
382 **width is needed across [the Atkins Group] respective tracts”. Please respond.**

383 **A.** The Atkins Group properties along the proposed Primary Route are already encumbered
384 by existing 132-foot wide easements owned by AIC. An easement width of 150 feet is needed
385 for the proposed Transmission Line. If the proposed Primary Route is approved in this
386 proceeding, then ATXI will seek to acquire an additional 18 feet of right-of-way needed to
387 achieve the total of 150 feet required for the 345 kV transmission line.

388 **VII. RESPONSE TO COLES COUNTY LANDOWNERS**

389 **Q. Mr. Weber alleges the Transmission Line would render his contract with the**
390 **Charleston Stone Company to mine limestone on his land obsolete. Please respond.**

391 **A.** I do not believe this is the case. In testimony, Mr. Weber alleges that the mining
392 operations would halt if the Transmission Line were built on his property and cause him to lose
393 “significant amounts of money”. (CCL Ex. 3.0, pp. 3-5.) His claim, he states, is based on a
394 contract between himself and the Charleston Stone Company⁹ whereby "Charleston Limestone
395 has the option to purchase approximately 150 acres of [his property] at the price of \$16,000.00 an
396 acre, allowing them to mine the limestone." (CCL Ex. 3.0, p. 3.0.) The language of the contract
397 (CCL Ex. 3.2 at 2.A) states "CSC has the option to purchase/exchange its choice of approximately
398 150 acres of the 210 acres at \$16,000.00 per acre. CSC must notify Weber in writing as

⁹ Charleston Stone Company is a member of Tarble Limestone Enterprises. (Tarble Limestone Enterprises Ex. 1.0, p.4.)

expeditiously as possible . . . in no event later than 9 months of the date of this Agreement [August 31, 2011], it intends to exercise the option to purchase/exchange."

Although I am not an attorney, it appears that the option to purchase Mr. Weber's property has expired. In fact, Mr. Weber admitted Charleston Stone Company has not notified him of its intention to exercise its option to purchase, nor has the company purchased any of Mr. Weber's property to date. (Responses to ATXI-CCL 2.02-2.04, 2.13-2.17.) Additionally, Tarble Limestone Enterprises confirms the option contract is no longer valid. (Responses to ATXI-TLE 2.02 and ATXI-TLE 4.02.)

VIII. RESPONSE TO TARBLE LIMESTONE ENTERPRISES

Q. Please respond to Mr. Tarble's claim (Tarble Limestone Enterprises Ex. 1.0, p. 7) that the Primary Route would prevent Tarble from, "in the future, develop as residential subdivisions certain properties in which it had exhausted its mining operations."

A. Mr. Tarble's assertions are admittedly premature, speculative and unsupported. Tarble Limestone Enterprises stated it has "no anticipated date of sale for any residential subdivisions because the depletion of the reserves at the mine site are 25 to 30 years away' and, in fact, Tarble "would not develop any sites until all of the adjoining sites were depleted." (Response to ATXI-TLE 2.23.) Further, ATXI does not agree with the premise that the Transmission Line would prevent the development of a residential subdivision. The only area where the construction of residences and buildings is prohibited is within the 150 foot wide easement. However, other uses can be made of the property within the easement that do not conflict with the easement rights. Further, the property that lies outside of the easement will remain available for development, including a residential subdivision.

421 **IX. CONCLUSION**

422 **Q. Does this conclude your revised rebuttal testimony?**

423 **A. Yes, it does.**